

# Housing & Community Development News

San Diego Housing Federation  
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## Active Table of Contents

Click on any item to jump to it  
 (Recent Adobe Reader)

<b>Federation News</b> .....	<b>3</b>
<b>Around the County</b> .....	<b>3</b>
First Round 9% Tax Credit Applications .....	3
SDHF Recognition Award Nominees .....	4
City Heights Development Wins National Award .....	5
Leah Residence Dedicated .....	5
Habitat for Humanity Completes 12 Homes .....	5
HUD Honors Two Local Projects .....	6
Barrio Logan Development Gets Green Light .....	7
Encinitas Considering Ways to Increase Affordable Housing ..	7
<b>Around the State</b> .....	<b>8</b>
Long Beach Activists Want Homeless TOT Funds .....	8
Monterey County Establishes Housing Trusts .....	8
<b>Around the Nation</b> .....	<b>9</b>
Homeownership Advocate Urges New Thinking About Rental Housing .	9
Myths About Homeownership vs. Rental .....	9
National Housing Policy Must Include Rentals .....	10
Joint Proposal Issued on CRA Changes .....	10
Services to End Homelessness Introduced in Congress ....	11
Groups Decry Voucher Reform Bill .....	11
Property Management Can Save on Insurance Costs ....	11
<b>Nonprofit Resources</b> .....	<b>12</b>
Bank of America's Neighborhood Excellence Initiative ...	12
17,000 Free Trees! .....	12
Padres Offer Complimentary Tickets .....	12
<b>Calendar of Events</b> .....	<b>13</b>
<b>Job Announcements</b> .....	<b>13</b>

## "Homes 4 California"

One of the highlights of this year's Housing California Conference in Sacramento was the kick-off of a statewide campaign to seek voter approval of a new permanent source of funding for the State of California Housing Trust Fund in November 2006.

The goal is to create a dedicated and protected revenue stream of at least \$1 billion annually for the state's housing trust fund to greatly increase the range of available housing options. Just like the regular investments we make in schools and transportation, we are calling for a housing trust fund to create reasonably-priced options, especially for the disabled, limited-income seniors, and single parents and their children. The \$1 billion trust would help the market to produce new homes for approximately 250,000 individuals and families over 10 years.

In January 2005, a poll of likely voters found:

- Assisting the neediest Californians is voters' highest priority for a housing ballot measure.
- Voters are most interested in clean and safe homes for low-income seniors and emergency shelter for homeless families with children and for battered women.
- In fact, approximately 70% supported raising state funds to produce emergency shelters and a range of home types.

In November 2002, Housing California helped to lead a successful statewide bond campaign where 58% of voters approved a \$2.1 billion bond to build places to live for people of low and moderate incomes. At the current spending rate, however, the money will run out mid-2007 for almost all of the 21 programs funded by the bond.

To ensure the steady public investment needed to shelter homeless people, create stable homes people can afford, and to increase the number of new homeowners,

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**Housing California** in partnership with the **California Housing Consortium** is proposing a dedicated source of funding for the housing trust fund. In order to guarantee the trust fund money will not be diverted to any other purpose, they have begun the work to put an initiative on the November 2006 ballot. They are preparing to gather the necessary signatures directly from the public, but may also ask the legislature to put the measure on the ballot.

To fund the trust fund, they are researching a small fee on home sales or other revenue streams. While they are amenable to alternate sources, the principal concern is the stability, fairness and revenue production of the source.

For the past two years, Housing California has reached out to builders, realtors, business groups, unions, and faith-based organizations. The response has been the same: positive and supportive. With the help of these allies they

have developed an initial concept that includes an expanded role for local governments and local housing trust funds, as voters generally trust local government more than state government. This may strengthen the connection to land use decisions at the local level.

To date, the steering committee has hit all its fundraising targets and now needs to raise \$2 million in 2005 to qualify the trust fund for the November 2006 ballot. As part of that effort, the attendees to the Housing California conference pledged \$75,000.

You can help someone find a place to call 'home.' Here are five easy ways to get into the Trust Fund Campaign:

Go to:

<http://homes4ca.org>

- Donate to the campaign
- Help gather signatures in Fall 2005
- Host a house party or help register voters, or share your stories
- Encourage organizations to endorse the Housing Trust Fund Campaign - or get your organization to endorse
- Solicit a donation from organizations to help us reach our fundraising goals

## Housing & Community Development News

Published monthly by the San Diego Housing Federation

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**Deadline For Submission of Articles and Art:  
The Fifteenth of the Month**

## Thanks for the Subsidy!

By *Tom Scott, Executive Director*

Like all of the readers of this publication, I spent time in the last few months preparing my Federal and State income tax returns. I use tax software to do my return and it took me a couple of hours. I actually prepared two versions of the returns, first my regular return and then a return with my housing subsidies removed.

Yes, I did say housing subsidies. As homeowners, my wife and I dutifully deduct the interest we pay on our mortgage and home equity line of credit. We also deduct the real estates taxes that we paid to the County and the City of Poway. The net effect of these deductions was that the Federal and State governments reduced our income taxes for 2005 by \$5,200. This is for a household of two that earns in the top 2.5% of households in the country. And this is low for our income category because we don't have the maximum mortgage that we could have on it and we bought our house thirteen years ago and are currently paying taxes on about 35% of its market value.

That same subsidy would enable a household of 4 earning less than \$30,000 per year the chance to rent a two bedroom apartment in San Diego and pay only 30% of their income for rent, leaving them with sufficient funds for food, clothing and other expenses.

**Member News**

El Cajon CDC is hosting a Homeownership Fair on Saturday June 19, 2005. To become a Sponsor or Vendor contact Stasi Williams at 619-401-8858 or:

[stasi@downtownelcajon.com](mailto:stasi@downtownelcajon.com)

The resident services programs of **Community HousingWorks**, **San Diego Interfaith Housing Foundation** and **Wakeland Housing and Development** were featured in a North County Times article focusing on their Poway properties. See:

[http://www.nctimes.com/articles/2005/04/10/news/inland/poway/22\\_20\\_234\\_9\\_05.txt](http://www.nctimes.com/articles/2005/04/10/news/inland/poway/22_20_234_9_05.txt)

**New Members**

**Simpson Housing Solutions, LLC** of Long Beach has joined the Federation. The company is a partner with Federation member Las Palmas Foundation in the Gateway I, II & III Family Apartment Projects in Barrio Logan. Kristin Proctor is the contact and can be reached at (562) 256-2158. Thanks to Joseph Michaels of the Las Palmas Foundation for encouraging Simpson to join the Federation.

The **City of El Cajon's Redevelopment Agency** has joined the Federation as a new local government member. David Cooksy is the contact person and can be reached at (619) 441-1718.

**Vietnam Veterans of San Diego** has joined the Federation as a regular nonprofit developer member. VVSD provides emergency shelter, transitional housing and permanent supportive housing for homeless veterans. David Siegler is the contact and he can be reached at 619-497-0142.

**AROUND THE COUNTY**

**First Round 9% Tax Credit Applications**

**Total Available for San Diego County: \$2,633,216**

Gateway I Family Apartments  
1603 Logan Avenue  
San Diego 92113  
\$959,625

Large Family - 42 units  
Gateway I Housing Partners

Cassia Heights Apartments Homes  
6480 El Camino Real  
Carlsbad San Diego 92009  
\$1,148,794

Large Family - 56 units  
El Camino Family Housing Partners, LLC

**New Newsletter Feature!**

**Linked Table of Contents**

As you move your cursor over the Table of Contents, you will find the little hand with index finger pointed upward. Yes, it means that you can click on any title that interests you and be taken directly there. Move back to the first page by clicking on the button in the upper left corner of any page of the newsletter. This feature works only in the newer versions of Adobe Reader (or Acrobat).

You can download it here:



Please Join Us for the  
**San Diego Housing Federation's  
10<sup>th</sup> Annual Affordable Housing & Community Development  
Recognition Awards**

**“Celebrating Community for All”**

**Co-hosted by: Burnham-Moores Center for Real Estate, University of San Diego  
Hahn University Center, University of San Diego  
Thursday, May 26, 2005  
4:30-7:00p.m.**

**Early Bird Registration through May 19, 2005  
Register online at: <http://www.housingsandiego.org/2005awards.htm>**

## **Nominees**

### **Housing Project of the Year – More than 50 units:**

- Fallbrook View Apartments, Community HousingWorks
- Laurel Park Apartments, MW Development
- Mariposa Apartments, Chelsea Investment Corporation
- Metro Villa Apartment Homes, City Heights CDC

### **Housing Project of the Year – Less than 50 units:**

- Orange Place Apartments, Trinity Housing Group

### **Housing Project of the Year - Special Needs:**

- Solutions Family Center, Community HousingWorks

### **Energy Efficiency Award:**

- Take Wing Apartments, operated by: San Diego Youth & Community Services (Kevin Sweeney)
- Grandon Village Senior Apartments, Enhanced Affordable Development (Marc Gelman)

### **Outstanding Advocate:**

- Mike Conroy
- Sherman D. Harmer, Jr., Urban Housing Partners

### **Outstanding Resident Manager:**

- Martha Lopez, Vista de Sol

### **Outstanding Local Government Supporter:**

- Lori Holt Pfeiler, City of Escondido
- Jim Madaffer, City of San Diego
- City of Oceanside, Marjorie Pierce

### **John Craven Memorial Award:**

- Beverly Peterka, City of Escondido
- Dan Stricker, City of San Diego

### **Community Development Project of the Year:**

- Metro Center

### **Resident Program of the Year:**

- The Stratton Learning Center (The Stratton Apartments)
- The Vision Program

### **Special Recognition Award:**

- Jose Lopez, President of the Fox Canyon Neighborhood Association in City Heights
- Dave Reichbart, Owner of Sarah France Homestay
- City of Poway and Poway Redevelopment Agency, Supporting Home Ownership in Poway (S.H.O.P.)

## City Heights Development Wins National Award

The Metro Villas/Metro Career Center won a “Meritorious Achievement Award” at the 2005 National Association of Local Housing Finance Agencies (NALHFA), held April 14-16 in Austin, Texas.

The project’s numerous “smart growth” elements were among features credited as earning the project its award. The complex was designed by Studio E Architects.

The eye-catching, newly constructed mixed-use development is considered a model for smart growth on a number of levels. Located in the heart of City Heights, it provides much-needed “workforce” affordable housing as well as community services. Importantly, it is located near jobs, public transit, parks, schools, and shopping. Furthermore, it greatly improved its surroundings by replacing aging properties with an attractive, dynamic multi-use community facility. The housing component, Metro Villas, is comprised of 119 below market-rate apartments and town homes, which are made up of three- and four-story buildings, a club house/ community room, two playground areas, and landscaped open space. The 4.8 acre property also includes an 81,500 square foot Metro Career Center and office building.

City Heights CDC is the Managing General Partner of the villas, and San Diego Interfaith Housing Foundation is the administrative general partner. Additional funding and development partners included: the City of San Diego’s Redevelopment Agency, Centre City Development Corporation, the San Diego Housing Commission, San Diego Workforce Partnership, and San Diego Revitalization Corporation/Price Charities.

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## Habitat for Humanity Completes 12 Homes

Habitat for Humanity partnered with Centex Homes and the City of Escondido to build twelve new attached homes at 620 N. Hickory Street in Escondido. The twelve Habitat partner families will purchase their homes through zero-interest mortgages, financed by San Diego Habitat for Humanity. Serving low-income families who earn 50% or less of the area median income, the three- and four-bedroom homes are priced in the low to mid \$100,000’s. Families qualified for the Habitat program based on three criteria: ability to pay a monthly mortgage; need for improved housing; and willingness to partner with SDHFH through “sweat equity,” the families’ contribution of labor in the construction of their homes.

## Leah Residence Dedicated

Sister RayMonda DuVall of Catholic Charities is realizing a twenty-five year dream to build permanent housing for homeless women in downtown San Diego. The \$6.6 million apartment building, Leah Residence, is scheduled to open in April.

The four-story complex will offer 23 apartments for formerly homeless women being treated for mental illness or alcohol or drug abuse. More than 50 women are expected to occupy the apartments, which are studios and one- and two-bedroom units. As many as four people will reside in the two-bedroom units.

The funding for the project came from a variety of sources, including: \$2.7 million in state tax credits; \$1.4 million in local public agency loans, including from the CCDC and the SDHC; \$1.1 million from Catholic Charities; \$745,000 conventional bank loan; \$500,000 from a HUD grant; and a \$180,000 loan from the federal Home Loan Affordable Housing Program.

To keep in style with the surrounding market-rate housing, the building’s façade features big windows, green mosaic tiles and a red brick exterior. It fits in well with downtown’s high-rent dwellings. Apartments on the top two floors have striking views of downtown and the San Diego-Coronado Bay Bridge. DuVall said the developer, Dene Oliver, selected the cabinetry and other fixtures for the building with as much care as he applies to his condominium projects.

During the past 30 years, about 10,000 condominiums and market-rate apartments have been developed downtown. The stock of affordable housing has dwindled. The prospects for downtown affordable developers are challenging. Where downtown land used to cost \$50 a square foot, it now goes for \$300 a square foot. Beyond land prices, development fees of \$50,000 to \$80,000 a unit drive up development costs.

### How to help

Catholic Charities needs to spend \$100,000 to furnish the apartments. There is space on the first floor for a women’s overnight center, but it will take \$200,000 a year to operate. To contribute to the furnishing of the Leah Residence or to the operation of a night center at the apartment complex, send checks to Catholic Charities, 349 Cedar St., San Diego, CA 92101. Indicate the purpose of the contribution on the check. For more information, call (619) 231-2828, extension 234.

## HUD Honors Two Local Projects

HUD announced in January that it is recognizing 20 state and local governments around the country with the first national HOME Doorknocker Award for their outstanding work in providing affordable housing to low-income and underserved people. The Doorknocker Awards are for remarkable work in using federal funding provided through HUD's HOME Investment Partnerships Program.

### I. S D County Consortium's Emancipated Foster Youth Rental Assistance

**Partners:** Housing Authority of the County of San Diego; San Diego County Health and Human Services Agency Independent Living Skills Program

This program demonstrates how a well-designed and operated tenant-based rental assistance program can assist an underserved target population. The San Diego County Consortium identified that each year approximately 200 youth "age out" of the foster care system and face the daunting prospect of homelessness in San Diego County. These young adults face many challenges in becoming self-sufficient adults; one of the greatest is finding a place to live.

Recognizing a need for a program that addresses the housing needs of the Emancipated Foster Youth population, the County's Department of Housing and Community Development partnered with its Health and Human Services Agency to administer a program that provides tenant-based rental assistance and supportive services to this underserved population.

To be eligible for the program, youth must be in the process of transitioning out of the foster care system and have a legal source of income that is 50 percent or less of area median income. Preferences are given to youth who are experiencing numerous barriers in accessing independent housing in the community and need support networks and case management services to live independently.

This collaborative effort has met with great success. The program was leased to capacity within a 120-day period. Due to the demand for this program, the County has allocated funds to increase the program size to assist 32 additional youth.

For More Information Contact: April Torbett at County of San Diego (858) 694-8724.

[april.torbett@sdcounty.ca.gov](mailto:april.torbett@sdcounty.ca.gov)

## II. City of Oceanside, Old Grove Apartments

### Reaching Underserved Populations Program

**Partners:** California Housing and Community Development Department, County of San Diego, Bank of America, California Equity Fund, California Housing Finance Agency, Local Initiatives Support Corporation, Federal Home Loan Bank of San Francisco.

San Diego is home to an extensive agricultural sector including ranches, farms and nurseries that produce everything from avocados to yams. Finding decent and affordable housing for farm workers has been difficult. Consequently, many farm workers and their families are forced to live in encampments with no sanitation facilities, and limited access to food, health care, education, and other services. In an attempt to address the need for housing for this and other very-low income populations, the City of Oceanside began working with Community HousingWorks to develop the 56-unit Old Grove Apartments.

While the city had extensive experience in rehabilitating and developing senior housing, financing and constructing affordable family housing for such a very low-income population was a new venture and presented several obstacles. The city and Community HousingWorks had to address neighborhood concerns that the low-income housing would adversely affect property values in the area which ranged in price from \$450,000 to \$500,000. The city also had to address some funders' requirements that the developer, Community HousingWorks, own the property. The city had used HOME funds to acquire the land and had to sell the property to Community HousingWorks for \$1 with reversion after sixty years. Construction began in March 2001 and Old Grove apartments opened, fully leased, in September 2004.

Old Grove includes one, two and three-bedroom units with initial rents ranging from \$250 to \$850 a month. Ten of the units are reserved for farmworker households, and four units are set-aside for households in which one adult is diagnosed with HIV/AIDS. The project includes a childcare center and a computer resource room; it is located near public transportation. Contrary to the fears of some of the neighbors, development of the Old Grove apartments has had no negative impact on the property values in the area, and is considered by many to be a positive addition to the neighborhood. The success of Old Grove demonstrates that affordable mixed-income housing can co-exist with for-sale, open market single-family homes.

For More Information Contact Ms. Margery M. Pierce at City of Oceanside (760) 435-3377.

## Barrio Logan Development Gets Green Light

The City of San Diego Redevelopment Agency authorized a development agreement with Gateway I Housing Investors, L.P. to create a 42-unit, for-rent affordable housing development in the Barrio Logan Redevelopment Project Area. The agreement marks another positive step in the City's continuing efforts to work with developers to provide a quality mix of housing options for families of all incomes.

The project, named Gateway I Family Apartments, will be located on Logan Avenue and 16th Street, adjacent to the East Village. The new project will replace an existing auto wrecking yard and four-unit apartment building. Upon securing funding, the project is estimated to begin construction in summer 2005 and will be completed in spring 2006.

The development will provide 16 two-bedroom, two-bath units and 25 three-bedroom, two-bath units for families that fall into income guidelines. A final unit will serve as the building manager's lodging. The project will also include a multi-purpose room, full-service kitchen, a children's play area, a media center, a technical center with business services for residents and on-site management.

Funding for the project was provided through the Redevelopment Agency Affordable Housing Program, a collaboration of the Redevelopment Agency (which includes the City's Community and Economic Development Department, the Centre City Development Corporation and the Southeastern Economic Development Corporation) and the San Diego Housing Commission. More than \$3.6 million in redevelopment housing set aside funds from the Centre City Redevelopment Project Area will be used for the subsidy. Additional funding will be provided by low-income tax credit proceeds and private lenders. The project targets low- to moderate- income families making between 30% - 60% of the Area Median Income.

In addition to Gateway I Family Apartments, there are five additional affordable housing developments that have been approved, representing a combined total of 638 units, 456 of which are affordable. These six projects are located throughout the City and could have redevelopment subsidies of more than \$25.8 million combined. There are nine additional projects under review, representing 1,181 new housing units, 735 of which are earmarked as affordable housing. These projects represent potential redevelopment subsidies of more than \$52 million combined.

For information on the development of the affordable rental units at Gateway I Family Apartments, contact the development team at United Community Inc. at (949) 623-8741.

For more information about the Barrio Logan Redevelopment Project Area, contact Rudy Gonzalez, Redevelopment Project Manager at (619) 533-4254 or:

[rgonzalez@sandiego.gov](mailto:rgonzalez@sandiego.gov)

or contact the Redevelopment Agency, Community and Economic Development Department at (619) 533-4233 or visit the City's web site at:

<http://www.sandiego.gov/redevelopment-agency>

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## Encinitas Considering Ways to Increase Affordable Housing

In accordance with California's goal of providing needed housing to accommodate population growth in the region, Encinitas is considering ways to increase their stock of affordable housing. Encinitas adopted an inclusionary housing ordinance in the early 1990s. Since then, Encinitas has accumulated only 228 such units.

The median sales price of an Encinitas home was \$760,000 in 2004. To address the imbalance in Encinitas, the San Diego Association of Governments has asked the city to plan for the production of an additional 700 to 800 affordable units in the next five years. That goal is a planning tool and does not carry penalties, said Susan Baldwin, a senior regional planner for SANDAG, the agency that is in charge of apportioning the state's goal. David Harris, the city's housing coordinator, said the city would consider itself successful if it could build about 200 units in the next five years.

The current affordable-housing law requires developers who build 10 units or more to ensure that 10 percent of their production is affordable units. However, because the city is 85 percent to 90 percent developed, much of the new-home construction occurs on small lots that allow fewer than 10 units, city planners said. The city is now considering lowering its 10-unit threshold for the inclusionary ordinance.

City planner David De Cordova said the city is also considering requiring an "in lieu" fee for developers if they cannot build affordable units. In addition, the city is considering rezoning the primarily commercial El Camino Real corridor to allow mixed commercial-residential developments. Already, the Old Highway 101 corridor has been rezoned for mixed use.

## Long Beach Activists Want Homeless TOT Funds

The Long Beach Affordable Housing Trust Fund campaign released a study in February demonstrating that homeless people living in motels paid over \$2 million in local transit occupancy taxes (TOT) last year. Currently ½ of total TOT revenues go to the City general fund, ¼ to a special advertising fund, and the rest to pay off aquarium bonds.

The HTF campaign is asking the City to dedicate the TOT paid by low-income local residents to a HTF. For more information, contact Josh Butler at:

[jbutler@drcinc.org](mailto:jbutler@drcinc.org)

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## Monterey County Establishes Housing Trusts

Two new housing trusts hope to raise \$20 million over the next five years, mostly from the private sector, to help people buy and build homes to counter Monterey County's sky-high housing costs.

The two nonprofits — Monterey County Workforce Housing and the Community Housing Trust of Monterey County — grew out of a fierce debate two years ago over affordable housing. Early on, all agreed that housing trusts would be a useful tool to tackle high housing costs. The

trusts' nonprofit status will allow contributors to take charitable or business-expense tax deductions.

The trusts plan to offer financial assistance to the workforce — firefighters, police, teachers, construction workers. The trusts plan to help families buy new or existing homes, unlike many affordable-housing plans tied exclusively to new development.

Monterey County has long been one of the most expensive housing markets in the country. Seventy percent of local employers cited housing costs as the No. 1 problem in attracting and keeping employees.

The housing trusts are virtually identical, sharing the same directors on their boards, but they are separate legal entities to accept individual and business donations. The trusts are part of a growing statewide trend to cope with California's housing costs. There are nine housing trusts around the state today. A housing trust in Santa Clara County, which received \$20 million in seed money from Silicon Valley manufacturers, has helped more than 1,000 families obtain homes in the past few years.

The Monterey trusts plan to address the housing crunch two ways:

- A down-payment assistance program will be aimed at buyers of either new or existing homes. Unlike many other programs, the down-payment program won't be limited to first-time home buyers.
- Money will be used to help nonprofit and for-profit developers pay pre-development costs of projects with affordable housing — both ownership and rental units.

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## Member Get a Member

The Board of Directors is requesting each member to do three things to help get new members for the Federation:

1. Forward a copy of this e-letter to someone who you think would benefit from membership in the Federation.
2. Call that person and ask them to join. If they agree, tell them that the office will send the membership information and then send an email to:

[sdhexec@housingsandiego.org](mailto:sdhexec@housingsandiego.org)

and ask that an invitation be sent.

3. Provide the Federation office with a list of your development partners and property management firms that should be members of the Association. Tom Scott will send invitations to each of them.

The Federation is only as strong as its membership. If you believe that the Federation is providing you with value, **spread the word.**

## Homeownership Advocate Urges New Thinking About Rental Housing

Former HUD Assistant Secretary of Housing William Apgar has authored a new working paper for Harvard's Joint Center for Housing Studies concluding that America overstates the benefits of homeownership and fails to appreciate the benefits of rental housing.

Apgar found that much of the research on homeownership sets out to "prove" the preconceived notion that homeownership is the most beneficial form of tenure. He wrote, "Today, homeownership is widely viewed as the 'silver bullet' solution to a range of individual and social problems. Yet there are downsides to excessive focus on promoting homeownership. Notably ... owning a home may prove unhelpful or even financially disastrous."

He provided evidence that "many low-wealth and low-income families are being 'pushed' into homeownership," because they are told that homeownership is a prerequisite for economic and social success, and they "perceive [or rather hope] that homeownership in and of itself will help them achieve a better life."

"In the worst-case scenario," he said, "lower-income homeowners may become trapped in declining neighborhoods with little access to employment, good quality schools or social services and equally limited potential for price appreciation. In these situations, all too often the dream of homeownership becomes the nightmare of a financially devastating foreclosure."

Apgar said that by denigrating rental housing, current policies limit housing options, noting that many low-income households buy even though ownership is not a good choice simply because there is no quality affordable rental housing available. Not only does our current policy framework push people into bad tenure choices, it also causes us to miss out on opportunities to use low-cost rental housing as a "pathway to social and economic opportunity."

Apgar said that "public policy should focus on the larger goals of promoting access to decent and affordable housing, along with expanding social and economic opportunity for all, and in doing so recognize that promoting homeownership is just one of many possible means for achieving these end goals."

He also said that "in addition to being valuable for families and individuals, a well-functioning rental housing sector helps preserve mixed-income communities and contributes to the social, economic and political health of local communities."

The paper, "*Rethinking Rental Housing: Expanding the Ability of Rental Housing to Serve as a Pathway to Economic and Social Opportunity*," can be found at:

<http://www.jchs.harvard.edu/publications/markets/w04-11.pdf>

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## Myths About Homeownership vs. Rental

In January, a 12-organization coalition sponsored a briefing for more than 100 Congressional staffers and reporters to rebut what they call the most prevalent myths "undermining a balanced housing policy in Washington." Their joint report, "*The Crisis in America's Housing: Confronting Myths and Promoting a Balanced Housing Policy*," presents evidence to correct the following three myths:

**Myth 1:** Homeownership is the best housing option for everyone, all the time, everywhere.

**Myth 2:** Subsidized housing is unnecessary; market forces will provide safe, decent and affordable housing for everyone.

**Myth 3:** Federal housing subsidies go disproportionately to low-income renters in urban areas.

At the briefing, Dean Baker of the Center for Economic and Policy Research (CEPR) said that contrary to the thinking of many policymakers, homeownership is not a "one size fits all" housing policy. And pushing low-income families to buy a house can make them financially worse given the transaction costs of buying a house and the relatively short length of time many low-income families own their homes.

Veteran housing counselors said that providing low-income homeownership was a very time- and money-intensive endeavor that required significant subsidies to help a small number of families. They said that their experiences taught them that homeownership could not replace successful rental assistance programs such as housing vouchers and that many low-income families are being hurt by the pressure and rhetoric from HUD and elsewhere to become homeowners.

The coalition backing this new movement includes a broad range of groups, such as the Consumer Federation of America; Children's Defense Fund; National Urban League; and National Low Income Housing Coalition. Their report is available at:

<http://www.nlihc.org/research/housingmyths.pdf>

## National Housing Policy Must Include Rentals

For almost 50 years, the United States' national housing policy has overwhelmingly emphasized homeownership, implying that homeownership alone could solve all of our housing-related problems. But for many of the country's most pressing challenges, apartments are a much better solution than homeownership initiatives.

For example, homeownership is a blunt and inefficient tool to use to fix the growing shortage of affordable housing. And for a country determined to grow smarter and reduce suburban sprawl, homeownership initiatives may exacerbate the problem by sending families far from urban areas in search of inexpensive land.

What America really needs is a more balanced housing policy that values—and provides incentives for—rental housing. Rental housing may not be as strong a political message as homeownership, but the plain fact is that this nation needs apartments. We need them for the 78 million Echo Boomers who have graduated from college and are looking for housing. We need them for the nearly 9 million immigrants who will come to this country in the next 10 years looking for a place to start their new lives. We need them for the millions of hard-working families who are paying more than half their income for shelter or living in substandard housing. And we need them to help house the nation's nearly 78 million Baby Boomers as they age and can no longer take care of themselves.

Not only do we need apartments, but a growing number of Americans want them. For generations, America's housing was determined by families with children who moved to single-family houses in the suburbs. But today those families are less than 25 percent of American households.

In their place are young professionals, couples without children, empty nesters and single parents. And many of these households are choosing to rent because apartments provide the conveniences, amenities, shorter commutes and financial freedom they cannot find in single-family detached housing.

For decades, the government has given many breaks to homeowners while imposing a long list of regulations and roadblocks on apartments. If we are serious about wanting to build more successful communities, we need to balance our nation's housing policy to explicitly recognize the importance of apartments.

We urge policymakers to challenge their old ways of thinking and work together to craft new housing policies that ensure everyone has access to decent and affordable

housing—regardless of whether they own or rent. If we do not adapt our housing policy to these new realities, it will become counterproductive and prevent us from solving other pressing housing problems.

The National Apartment Association (NAA) and the National Multi Housing Council (NMHC) have joined to advocate for a more balanced housing policy, one that respects the rights of individuals to choose housing that best meets their financial and lifestyle needs. We urge decision-makers at all levels of government to work with us to craft a smarter housing policy that:

- Ensures that everyone has access to decent and affordable housing, regardless of his or her housing choice.
- Respects the rights of individuals to choose the housing that best meets their financial and lifestyle needs without disadvantaging, financially or otherwise, those who choose apartment living.
- Promotes healthy and livable communities by encouraging responsible land use and promoting the production of all types of housing.
- Recognizes that all decent housing, including apartments, and all citizens, including renters, make positive economic, political and social contributions to their communities.
- Balances the expected benefits of regulations with their costs to minimize the impact on housing affordability.

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## Joint Proposal Issued on CRA Changes

In March, the Office of the Comptroller of the Currency, the FDIC, and Federal Reserve Board posted proposed changes to the Community Reinvestment Act for the 60-day comment period. The proposed changes affect mid-size banks (\$250M to \$1B in assets). Instead of having to comply with 3 CRA tests (lending, investing and services), these banks would have to comply with only 2: lending and community development. Community development would include both investment and services. This rule is a significant improvement over past proposals, but there is concern that both retail banking services in low-income areas and affordable housing development will be curtailed since banks do not have to meet both requirements. More info:

<http://www.fdic.gov/regulations/laws/federal/index.html>

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## Services to End Homelessness Introduced in Congress

On April 5, companion bills were introduced in both the House and the Senate to provide supportive services to individuals and families experiencing chronic homelessness. There were 26 original cosponsors in the House, three in the Senate. When introducing the bill, Senator DeWine said that the bill “will provide the authorization to fund services for supportive housing by providing grants which can be used with existing programs through HUD and state and local communities,” allowing cities and towns to work toward their goals of ending chronic homelessness.

The Services for Ending Long-Term Homelessness Act (SELHA) will require the Secretary of HHS to, among other things, design national strategies to provide services in supportive housing, collaborate with other federal programs and departments to implement programs addressing chronic homelessness, and develop improved methods for serving individuals with mental or physical illness, disabilities, substance abuse issues or co-occurring disorders.

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## Groups Decry Voucher Reform Bill

The National Low Income Housing Coalition (NLIHC) had called upon HUD Secretary Alphonso Jackson to refrain from seeking introduction of HUD’s legislative proposal, “The State and Local Housing Flexibility Act of 2005.” Despite the call, the bill has since been introduced, on April 13, in the Senate.

NLIHC said the Senate bill would, for example, reduce the proportion of Section 8 vouchers reserved for the lowest income residents; result in tenants having higher rent burdens; and waive various tenant protections to at-risk project-based residents. The bill would also allow time limits in the voucher program.

Following the bill’s introduction, almost 40 organizations, including NLIHC, Enterprise Foundation and the Local Initiatives Support Corp., have signed a letter in opposition to the legislation, calling it “a seismic shift in national housing policy.”

“From what we have learned about HUD’s plans, their legislation would negate significant elements of national housing policy that have had bipartisan support for many years,” said Sheila Crowley, NLIHC president. Crowley had written to Secretary Jackson that “NLIHC believes

that the program changes proposed by the bill would be devastating to those currently participating in HUD affordable housing programs as well as to the millions most in need of such assistance.”

Representative Gary Miller (R-CA) introduced companion legislation, H.R. 1999, in the House on April 28, 2005.

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## Property Management Can Save on Insurance Costs

Affordable housing rentals have endured higher insurance rates because of the false perception that they are more likely to suffer losses than standard rentals. This is the finding of extensive research by ABD Insurance & Financial Services in Seattle. Well-managed properties, primarily members of the Affordable Housing Management Association, enjoy low loss ratios which qualify them for deep discounts under a select insurance plan.

Limited budgets are putting a strain on affordable housing facilities and insurance is one of the most costly line items faced by management companies. ABD is the regional agent for this program in the Pacific Northwest, and is now offering the plan nationwide.

“We’ve been able to routinely offer premium savings of up to 78% in many cases,” stated Richard P. Lane, President ABD Northwest. “We begin submitting accounts immediately, based on a minimum of 45 days lead time for the underwriter with a complete submission. And we will assist the client in preparation.”

The insurance providers for this program are rated A XV (by A.M. Best), with strong financials, various deductible options and coverage tailored to the affordable housing market — both non-profit and for-profit providers. The program is acceptable to HUD and other sources of funding for affordable housing providers. For more information go to:

<http://www.cybersure.com>

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## Bank of America's Neighborhood Excellence Initiative

**Deadline: June 30, 2005**

Bank of America Charitable Investments has commenced the second year of its Neighborhood Excellence Initiative, designating an additional \$17 million to recognize, nurture, and reward organizations, local heroes, and student leaders helping to rebuild and revitalize their communities in thirty-eight of the bank's major markets across the United States.

Working with community partners, Bank of America developed the Neighborhood Excellence Initiative to provide the participating markets with support through three distinct programs:

1) Neighborhood Builders: \$200,000 in grant funding and leadership training over the course of two years to two local nonprofit organizations working to promote vibrant neighborhoods.

2) Local Heroes: Recognition of five community heroes whose achievements and leadership on local issues contributes significantly to neighborhood vitality. Recipients will direct a \$5,000 contribution to an eligible nonprofit of their choice and will be honored at a public ceremony.

3) Student Leaders: Development of five high school students in their junior or senior years who are exemplary young people with an interest in improving their neighborhoods. To further their personal and educational growth, each student will participate in an eight-week paid summer internship with a community-based organization, as well as a mentorship program arranged by Bank of America.

Applicants are encouraged to submit their materials as early as possible. Program guidelines, application and nomination materials, and the list of participating communities are available at the Bank of America Web site:

[http://www.bankofamerica.com/foundation/index.cfm?template=fd\\_howtoapply](http://www.bankofamerica.com/foundation/index.cfm?template=fd_howtoapply)

## 17,000 Free Trees!

The San Diego Regional Energy Office, in cooperation with People for Trees, is giving away 17,000 trees, absolutely free, to San Diego County residents just like you. And here's why:

- Energy and money savings. Trees create shade which reduces the need for air-conditioning. They also reduce the "urban heat island" effect by lowering outside air temperature.
- Improved air quality. Trees remove carbon dioxide (a greenhouse gas) from the atmosphere and release oxygen.
- Increased property values. Trees improve your neighborhood's appearance and increase your property value.
- Reduced storm run-off. Trees absorb excess ground water.

Trees can be planted at detached houses, multi-family condominium complexes, apartment buildings, and K-12 public and private schools. For single-family homeowners, depending on property size, you can get up to five full-size, 10 to 15-gallon nursery-quality trees. There is no limit to the number of trees that multi-family housing buildings and schools can get. Plus there are over 20 varieties of trees to choose from. Homeowners save an average of more than \$150 per year in energy costs by planting a tree near their homes.

Visit the program web site at:

<http://trees.sdenergy.org>

You can also call toll-free at 1-888-831-8620 (English) or 1-800-805-2294 (Español) to request the booklet and application.

The Cool Communities Shade Tree Program is funded by California ratepayers under the auspices of the California Public Utilities Commission through a public goods charge on electric and gas bills.

## Padres Offer Complimentary Tickets

Here is a chance to provide an added activity for the children in your developments.

The San Diego Padres have teamed up with Nokia, ViaSat and Wells Fargo Bank and several Padres players to sponsor several Charity Ticket Programs for the 2005 season. The Charity Ticket Programs provide tickets to disadvantaged children throughout the San Diego region, who might not otherwise be able to attend a ballgame. If you would like to apply for tickets, please fill out the Charity Ticket Programs

application form and mail it to the following address:

San Diego Padres Community Relations

Attn: Charity Ticket Programs

P.O. Box 122000

San Diego, CA 92112-2000

[http://mlb.mlb.com/sd/downloads/community/ctp\\_application\\_2005.pdf](http://mlb.mlb.com/sd/downloads/community/ctp_application_2005.pdf)

**NOTE: For details on these conferences or for ones scheduled more than two months from now, please go to:**  
<http://www.housingsandiego.org/currents.htm>

**Workforce Housing Conference**

Presented by Coldwell Banker  
Tuesday, May 17, 2005  
7:30am - 2:30pm  
Jenny Craig Pavilion, University of San Diego  
For more information:  
<http://www.sandiego.edu/business/index.php?areaid=12>

**LISC Urban Forum 2005  
"Helping Communities Create Vibrant  
Commercial Districts"**

May 23-25, 2005  
Westin-St. Francis Hotel, San Francisco, California  
Leadership Training and workshops covering successful strategies and techniques for commercial district revitalization.  
For more information, please contact us at:  
[urbanforum@liscnet.org](mailto:urbanforum@liscnet.org)

**Affordable Housing 2005....  
We're Keeping the Dream Alive**

The Affordable Housing Management Association  
28th Annual Convention/Seminar & Trade Show,  
When: May 22-24, 2005  
Where: Los Angeles Airport Marriott Hotel  
For more information:  
<http://www.ahma-psw.org/>

**Advancing Regional Equity  
and Smart Growth**

**The Second National Summit**  
May 23-25, 2005  
Philadelphia, PA  
Focus on the policy, organizing, and capacity building efforts that are necessary to expand opportunities for economic, environmental and social justice.  
For more information contact: PolicyLink at (510) 663-2333 or visit:  
<http://www.policylink.org>

**San Diego Housing Federation's  
2005 Affordable Housing & Community  
Development Recognition Awards Celebration**

University of San Diego, Hahn University Center  
Co-hosted by the  
**Burnham-Moores Center for Real Estate  
University of San Diego**  
Thursday, May 26, 2005 • 4:30pm - 7:00pm

**For Details, go to:**  
<http://housingsandiego.org/jobs.htm>

**Community Housing Works, San Diego**  
**Project Manager/Financial Analyst**

**Bank of America**  
**Community Development Banking, San Diego**  
**Relationship Underwriter**  
**Administrative Assistant**

**Low Income Investment Fund, Los Angeles**  
**Loan Officer**

**Las Palmas Foundation, Encinitas**  
**Resident Service Coordinator**

**MAAC Project, National City**  
**Real Estate Project Manager**  
**Real Estate Senior Project Manager**

**California Housing Consortium**  
**Executive Director**

**San Diego Housing Commission Jobs**  
<http://www.sdhc.net/gijobopp2.shtml>

**For Other Nonprofit Jobs,  
Go To San Diego NPWorks.org**  
<http://www.npworks.org/>

**The California Community Economic Development Association's  
Annual Conference**

**"Skill Building Today for Building Better  
Communities Tomorrow"**

June 13-14, 2005  
Mariott Oakland City Center  
1001 Broadway, Oakland, CA 94607  
(510) 451-4000  
Information and registration available online at:  
[www.cceda.com](http://www.cceda.com) or call (510) 251-8065

**Transform Your Board**

When: Wednesday, June 22, 2005  
Where: Los Angeles - Beverlyly Garland's Holiday Inn  
For more information or to register:  
<http://www.canonprofits.org/transformyourboard/>